

SECRETARY OF STATE

Budget Summary						FTE Position Summary				
Fund	2010-11 Adjusted Base	Governor		2011-13 Change Over Base Year Doubled		2010-11	Governor		2012-13 Over 2010-11	
		2011-12	2012-13	Amount	%		2011-12	2012-13	Number	%
PR	\$725,700	\$513,600	\$513,600	- \$424,200	- 29.2%	7.50	4.00	4.00	- 3.50	- 46.7%

Budget Change Items

1. STANDARD BUDGET ADJUSTMENTS

PR	\$99,000
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Governor: Provide adjustments of \$49,500 annually for: (a) full funding of continuing position salaries and fringe benefits (\$44,700 annually); and (b) full funding of leases and directed moves costs (\$4,800 annually).

2. INCREASE EMPLOYEE CONTRIBUTIONS FOR PENSIONS AND HEALTH INSURANCE

PR	- \$56,200
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Governor: Delete \$28,100 annually to reflect fringe benefit cost reductions associated with increased state employee contributions for Wisconsin Retirement System (WRS) benefits and health insurance coverage. The calculation of retirement savings is based on employee WRS contributions equal to 5.8% of salary. Health insurance cost reductions are based on employees paying an average of approximately 12.6% of total premium costs, compared to the current average of approximately 6% of costs.

3. FUNDING AND POSITION REDUCTIONS AND TRANSFER OF ADMINISTRATIVE FUNCTIONS TO DOA

	Funding	Positions
PR	- \$252,800	- 1.50

Governor: Delete \$22,500 annually to reflect a 10% reduction in supplies and services funding and unallotted reserve funding. Delete \$103,900, 1.0 accountant position, and 0.5 office associate position annually, and transfer administrative services functions of the Office of the Secretary of State (Office) to the Department of Administration (DOA). In addition, delete the authority for the Secretary of State, as an elected official, to appoint an unclassified stenographer position.

On the effective date of the bill, the assets and liabilities of the Office of the Secretary of State that were primarily related to administrative services, as determined by the Secretary of Administration (Secretary), would become the assets and liabilities of DOA. All tangible personal property, including records, that are primarily related to administrative services, as determined by the Secretary, would become the tangible personal property of DOA. All contracts entered into by the Office in effect, that were primarily related to administrative services, as determined by the Secretary, would remain in effect and be transferred to DOA. DOA would be required to carry out any obligations under a contract until it was modified or rescinded by DOA, to the extent allowed under the contract. Any pending matter with the Office that was primarily related to administrative services, as determined by the Secretary, would be transferred to DOA. All materials submitted to, or actions taken by, the Office with respect to the pending matter would be considered as having been submitted to, or taken by, DOA. All rules promulgated by the Office that were primarily related to administrative services, as determined by the Secretary, would remain in effect until amended or repealed by DOA. All orders issued by the Office that were primarily related to administrative services, as determined by the Secretary, would remain in effect until their specified expiration date, or until modified or rescinded by DOA.

[Bill Sections: 812, 2758, 2764, and 9142(2)]

4. TRANSFERS TO THE DEPARTMENT OF FINANCIAL INSTITUTIONS

	Funding	Positions
PR	-\$214,200	- 2.00

Governor: Delete \$107,100 PR and 2.0 PR positions annually to reflect the transfer of administrative responsibilities for issuing notary public commissions and registering trademarks, trade-names, and brands to the Department of Financial Institutions (DFI). The bill would transfer \$57,000 PR and 1.0 PR position to DFI annually for related administrative responsibilities. In addition, the annual transfer of PR funding from DFI to the Office of the Secretary of State (Office) would be increased from \$200,000 to \$325,000.

The bill specifies that on its effective date:

- a. The assets and liabilities of the Office relating to the Office's trademark or notary functions would become the assets and liabilities of DFI.
- b. 1.0 PR position relating to the Office's trademark or notary functions and the incumbent employee, identified by the Secretary of Administration, holding that position would be transferred to DFI.
- c. The employee who was transferred would have the same rights and status in DFI that the position enjoyed in the Office, and if the employee transferred had attained a permanent status he or she would not be required to serve a probationary period.
- d. The remaining 1.0 PR position of the Office relating to the Office's trademark or notary functions that was not transferred to DFI would be de-authorized.
- e. All tangible personal property, including records, of the Office relating to the Office's trademark or notary functions would be transferred to DFI.

f. All contracts entered into by the Office, in effect, relating to the Office's trademark or notary functions, would remain in effect and be transferred to DFI. DFI would be required to carry out these contractual obligations until the contract was modified or rescinded by DFI, to the extent allowed under the contract.

g. Any pending matter related to the Office's trademark or notary functions would be transferred to DFI, and all materials submitted to, or actions taken by, the Office with respect to the pending matter would be considered as having been submitted to, or taken by, DFI.

h. All rules and orders promulgated or issued by the Office relating to the Office's trademark or notary functions would remain in effect until their specified expiration dates, or until amended or repealed by DFI

i. In the case of disagreement between the Office and DFI related to the transfer, DOA would be required to determine the matter, and develop a plan for an orderly transfer.

The Office of the Secretary of State is responsible for issuing notary public commissions, issuing authentications and apostilles, registering trademarks and trade names, recording annexations and charter ordinances of municipalities, publishing state laws, filing oaths of office, and filing deeds for state lands and buildings.

The office issues a certificate of appointment as a notary public to qualified applicants. Generally, a commission is for four years. However, the commission is permanent for persons licensed to practice law. Authentications and apostilles are issued to confirm the notary public, and are typically issued for documents sent to other states or foreign countries.

A person, firm, partnership, corporation, association, or union of workingmen may apply to the Office for state trademark or service mark registration. If application requirements are met, the office issues a certificate of registration of the mark. Generally, the registration is for 10 years. The Office is also required to record beverage brands used on beverage containers. A lodge, fraternal society, or similar organization may register identifying information with the Office, including name, motto, emblem, or other insignia.

Fees charged for services provided are the primary source of funding for the Office. Fees are charged for notary public commissions, certificates of authentication and apostilles, and registration and assignment of trademarks or trade names. The fees range from \$10 to \$50, depending upon the type of transaction. Specific filing fees include (a) \$20 for four-year notary public commissions and renewals; (b) \$50 for permanent notary public commissions; (c) \$10 for authentication certificates and apostilles; and (d) \$15 for trademark and trade name registrations and renewals. In addition, the Office receives an annual transfer of \$200,000 from DFI. Fee revenues and transferred funding are placed in a program revenue appropriation and any year-end unencumbered amount in the appropriation balance in excess of 10% of the prior year's expenditures is transferred to the general fund.

[Bill Sections: 490, 754, 2310, 2605 thru 2637, and 9142(1)]